

NCA
VOC FOR PGM/FN
BACKGROUNDER NO. 5-5922
EDIE APPLE/BRUSSELS

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ZAIRE'S FRIENDS AND THE MOBUTU PLAN

ANNCR:

THE NEXT FEW MONTHS WILL BE CRUCIAL FOR ZAIRE'S HOPES OF CREATING A HEALTHY, GROWING ECONOMY....AS WE HEAR IN THIS BACKGROUND REPORT BY VOA'S EDIE SMITH APPLE.

VOICE:

ZAIRE HAS BEEN PROMISED EMERGENCY HUMANITARIAN AID, FOOD, AND MEDICAL SUPPLIES. BUT THE INTERNATIONAL HELP WILL DEPEND TO A LARGE EXTENT ON THE ZAIRE GOVERNMENT'S EFFORTS TO IMPROVE ITS ECONOMIC MANAGEMENT. THIS WAS MADE CLEAR AT THE BRUSSELS GATHERING WHERE ZAIRE PRESENTED A THREE YEAR DEVELOPMENT PROGRAM TO POTENTIAL AND DONORS--TEN COUNTRIES AND THREE INTERNATIONAL ORGANIZATIONS.

IN RECENT YEARS ZAIRE'S ECONOMY HAS BEEN IN SERIOUS TROUBLE. PRODUCTION HAS BEEN DROPPING; INTERNATIONAL DEBT HAS BEEN GROWING. A SHARP DROP IN THE WORLD PRICE OF COPPER CREATED MUCH OF THE PROBLEM. BUT CORRUPTION AND MISMANAGEMENT DID NOT HELP. ABOUT A YEAR AGO, PRESIDENT MOBUTU DECIDED TO WORK OUT A PROGRAM, GOING BEYOND STOP GAP MEASURES, TO GET THE COUNTRY BACK ON ITS FEET. HE ASKED BELGIUM TO ORGANIZE A MEETING OF COUNTRIES AND ORGANIZATIONS THAT MIGHT HELP OUT. THE ATTACK ON SHABA PROVINCE, THE CENTER OF THE COUNTRY'S MINERAL WEALTH, HAS MADE THE SITUATION EVEN MORE SERIOUS.

THE MOBUTU PLAN CALLS FOR ADMINISTRATIVE REFORM, A NEW AGREEMENT WITH THE INTERNATIONAL MONETARY FUND TO STABILIZE ZAIRES FINANCES, AND INCREASED INVESTMENT IN AGRICULTURAL PRODUCTION AND THE COUNTRY'S TRANSPORTATION AND DISTRIBUTION SYSTEMS.

THE INTERNATIONAL EXPERTS ON THE WHOLE SEEMED IMPRESSED. ONE OFFICIAL COMMENTED THAT PRESIDENT MOBUTU DESERVES CREDIT FOR HAVING THE COURAGE TO ADMIT THAT HE HAS MADE MISTAKES. BUT BEFORE MAKING FURTHER AID COMMITMENTS MOST DONORS WANT TO MAKE SURE THAT THE NEEDED REFORMS WILL BE CARRIED OUT.

A LOT WILL HINGE ON THE AGREEMENT BETWEEN ZAIRE AND THE INTERNATIONAL MONETARY FUND ON THE ECONOMIC POLICIES ZAIRE WOULD FOLLOW. AND ZAIRE WILL HAVE SOME HELP. EXPERTS FROM THE INTERNATIONAL FUND WILL HELP RUN THE NATIONAL BANK AND SUPERVISE PUBLIC SPENDING AT THE FINANCE MINISTRY.

OBSERVERS ALSO POINT OUT ANOTHER WAY THE NEXT FEW MONTHS ARE IMPORTANT TO ZAIRE'S FUTURE. OUTSIDE TECHNICIANS ARE STILL NEEDED TO HELP RUN THE MINES AND SOME OTHER INDUSTRIES. AFTER THE INCIDENTS LAST MONTH IN KOLWEZI MANY TECHNICIANS ARE WORRIED ABOUT THEIR SECURITY. IT WILL BE UP TO THE ZAIRE ARMY, WITH THE HELP OF THE MOROCCANS AND OTHER AFRICAN TROOPS, TO CONVINCE THE SKILLED WORKERS THAT IT IS SAFE TO STAY OR RETURN.

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